

**OVERALL & CONTRACT
 DBE GOAL METHODOLOGY**

Airport Sponsor	Bonner County, Idaho
Airport Name	Priest River Municipal Airport
Goal Period	FY 2018-2020 10/01/17 to 9/30/20
Projects	AIP No. 3-16-0058-007-XXXX
Name of Preparer	Corrie Esvelt-Siegford, T-O Engineers

Overall DBE Goal: **2.4%**

PART 1: DBE GOAL METHODOLOGY

The calculation of three-year and contract DBE Goals, based upon 49 CFR Part 26, is a multi-phase task. The intent of the program is to create a level playing field on which DBE firms are able to compete fairly without creating a disadvantage to non-DBE competitors. This is accomplished through a detailed approach to setting both three-year and contract DBE goals that realistically consider the relevant demographics of the professional services and construction industries in the Sponsor’s location as it relates to anticipated AIP eligible work in a given fiscal year.

Name of Recipient: Priest River Municipal Airport

Goal Period: FY 2018/2019/2020.

DOT-assisted contract amounts:	<u>Total Amount</u>	<u>Federal Share</u>
FY2018	\$1,008,333	\$907,500
FY2019	\$590,000	\$531,000
FY2020	<u>\$166,666</u>	<u>\$150,000</u>
Total Amount	\$1,764,999	
Federal Share		\$1,588,500

Overall Three-Year Goal: 2.4%, to be accomplished through 0.0% RC and 2.4% RN. (Overall goal is weighted percentage.)

Total dollar amount to be expended on DBE’s: \$22,803 (Federal Share). **Note. 2.4% has been rounded from 2.402%.*

Describe the Number and Type of DOT-Assisted Contracts that the airport anticipates awarding:

Contracts Fiscal Year FY2018.

Contract #1. Professional Services (Engineering design and construction observation) – Obstruction removal and lighting. Work to Include: Engineering, drafting, and surveying. Estimated Amount = \$105,000.00. Federal Share = \$94,500.00

Contract #2. Construction Services – South end obstruction removal. Work to Include: Stripping, site preparation, runway construction, dump trucking, erosion control, and flagging. Estimated Amount = \$433,333.00. Federal Share = \$390,000.00.

Contract #3. Professional Services (Engineering design) – Land acquisition services. Work to Include: Engineering, appraisals, surveys, real estate, and environmental consulting. Estimated Amount = \$100,000.00. Federal Share = \$90,000.00.

Contract #4. Land acquisition. Estimated amount = \$370,000.00. Federal Share = \$333,000.00. The value of Contract #4 is not included in the summary of DOT-assisted contracts or the DBE goal calculations.

Contracts Fiscal Year FY2019

Contract #5. Professional Services (Engineering design) – Land acquisition services. Work to Include: Engineering, appraisals, surveys, real estate, and environmental consulting. Estimated Amount = \$100,000.00 Federal Share = \$90,000.00.

Contract #6. Land acquisition. Estimated amount = \$340,000.00. Federal Share = \$306,000.00. The value of Contract #6 is not included in the summary of DOT-assisted contracts or the DBE goal calculations.

Contract #7 Professional services (Engineering design) – Runway environmental assessment. Work to include: Engineering, drafting, surveying, and environmental consulting. Estimated amount = \$150,000.00. Federal Share = \$135,000.00.

Contracts Fiscal Year FY2020

Contract #8 Professional Services (Engineering design only) – Runway 1-19 reconstruction project. Work to include: Engineering, drafting, surveying, geotechnical testing. Estimated amount = \$166,666.66. Federal Share = \$150,000.00.

Market Area:

The market area is the area where a substantial majority of the airport's contractors and subcontractors come from and the area which the airports spend a substantial amount of their contracting dollars. The market area for construction contractors and suppliers includes Boundary, Bonner, and Kootenai Counties in Idaho along with Spokane County in Washington. The market area for professional services is expanded to include the State of Idaho with Spokane County in Washington.

Step 1: DETERMINING A BASE FIGURE FOR THE OVERALL GOAL.

The process begins with the estimated cost and scope of anticipated work associated with AIP funding during Federal FY 2018 - 2020. The next step is listing the work elements of the project by North American Industry Classification System (NAICS) Code number and NAICS Code description.

In the market area the numbers of firms doing business with the same NAICS Code as project elements are counted. Information as to total available firms based on NAICS Code in a county is available from the United States Census Bureau, American Fact Finder (2015).

The process continues by listing the number of Certified (ready, willing and able) DBE firms based within the market area that perform the same type of work described by NAICS description. The DBE directory used to gather specific DBE firm information is from the Idaho Transportation Department updated June

2017. The objective is to set the goal to reflect the market of contractors/consultants available to provide services during FY 2018 - 2020 at Priest River Municipal Airport. The result is a database of the number of DBE firms potentially available in the market area, the types of work they perform and the share they represent of the area workforce. One business was omitted from the hydrology DBE list because the listing was for security consulting.

Table 1 presents market area data for professional services consultants available in the State of Idaho along with Spokane County in Washington. Tables 2 and 3 presents market area data for contractor and material suppliers available for the selected counties. Note that while some codes may appear in both the professional and construction tables, the numbers will be different due to the selected regions for the market area. All contracts anticipated to be awarded in FY 2019 and FY 2020 are for professional services. Contracts in FY 2018 are anticipated to be awarded to construction and professional services.

TABLE 1
PROFESSIONAL SERVICES CONSULTANTS

NAICS Description	NAICS Code	Number of Services		DBE %
		All	DBE	
Appraisal	531320	161	1	0.6%
Engineering	541330	495	10	2.0%
Drafting	541340	42	2	4.8%
Surveying	541370	67	3	4.5%
Environmental	541620	94	11	11.7%
Hydrology	541690	131	5	3.8%
Cultural Resources	541720	12	8	66.7%
Real Estate Agents	531210	1015	0	0.0%
Testing laboratories	541380	54	2	3.7%

TABLE 2
CONTRACTOR AVAILABILITY

NAICS Description	NAICS Code	Number of services		DBE %	Counties Included: Boundary, ID Bonner, ID Kootenai, ID Spokane, WA
		All	DBE		
Soil preparation, planting, and cultivating	115112	3	0	0.0%	
Highway, street (runway) construction	237310	36	3	8.3%	
Electrical, wiring installation contractors	238210	228	0	0.0%	
Site preparation contractors	238910	159	2	1.3%	
Specialty trade contractors	238990	129	3	2.3%	
Specialized freight and trucking, local	484220	63	2	3.2%	
Construction surveys	541370	19	1	5.3%	
Landscaping Services	561730	299	2	0.7%	
Flagging, traffic control, other services	561990	41	3	7.3%	

TABLE 3
MATERIAL SUPPLIER AVAILABILITY

NAICS Description	NAICS Code	Number of services		DBE %	Counties Included:
		All	DBE		
Electrical equipment, wiring supplies	423610	40	0	0.0%	Boundary, ID Bonner, ID Kootenai, ID Spokane, WA

Computation of the overall goal is determined by weighting the portion each anticipated contract represents of the total estimated cost of work associated with AIP funding for Federal FY 2018 - 2020. The result is the 'Base Figure for the Overall FY 2018 - 2020 DBE Goal.'

The first step in weighting the goal is to divide each prime contract into its major elements. Each element is evaluated for DBE firm contracting opportunities. Note that Contract No. 4 and Contract No. 6 the actual Land Acquisition costs are not included in the DBE goal calculations.

Work tasks are assigned a distinct NAICS Code number. The dollar value of reasonable DBE participation by work task or contract element based on NAICS Code is calculated by multiplying the estimated dollar value total for each contract element by the ratio of DBEs available compared to the total number of firms. The dollar value of reasonable DBE participation by contract is the sum of the DBE participation by contract element. Only 60% of the value of supplies and materials purchased from a DBE supplier count toward the DBE goal. Contract amounts, work type element cost and DBE amounts shown are the Federal share. Tables 4 through 6 show the weighted goal calculation methodology for each contract.

TABLE 4
FY: 2018
CONTRACTS WORK ELEMENT BREAKDOWN

Work Type Description	NAICS Description	NAICS Code	Work Type Element Cost	Number Firms Census	Number Firms DBE Directory	DBE %	DBE \$
Fiscal Year 2018 Contracts							
Contract 1. Professional Services (Engineering design and construction observation) - Obstruction removal and lighting							
Engineering	Engineering Services	541330	\$74,500	495	10	2.0%	\$1,505
Drafting	Drafting services	541340	\$10,000	42	2	4.8%	\$476
Surveying	Surveying and Mapping	541370	\$10,000	67	3	4.5%	\$448
TOTAL CONTRACT #1 [federal]			\$94,500			2.6%	\$2,429
Contract 2. Construction - Obstruction Removal (South End)							
Stripping	Soil preparing and planting	115112	\$5,400	3	0	0.0%	\$0
Runway Construction	Highway/runway construction and painting	237310	\$8,100	36	3	8.3%	\$675
Electrical Contractors	Electrical Construction	238210	\$89,500	228	0	0.0%	\$0
Site preparation	Site preparation contractors	238910	\$5,000	159	2	1.3%	\$63
Specialty trade contractors	Specialty trade contractors	238990	\$1,000	129	3	2.3%	\$23
Dump trucking	Specialized Freight	484220	\$30,000	63	2	3.2%	\$952
Construction surveys	Surveying and Mapping	541370	\$9,000	19	1	5.3%	\$474
Erosion control/hydroseeding	Landscaping Services	561730	\$194,000	299	2	0.7%	\$1,298
Flagging, traffic control, other services	Other Support Services	561990	\$18,000	41	3	7.3%	\$1,317
Material Suppliers							
Electrical Supplies		423610	\$30,000	40	0	0.0%	\$0
						Materials 60% Total	\$0
TOTAL CONTRACT #2 [federal]			\$390,000			1.2%	\$4,802
Contract 3. Professional Services (Engineering Design): Land Acquisition Services							
Engineering	Engineering Services	541330	\$34,000	495	10	2.0%	\$687
Appraisal	Offices of real estate appraisers	531320	\$33,000	161	1	0.6%	\$205
Surveying	Surveying and Mapping	541370	\$12,000	67	3	4.5%	\$537
Real Estate	Offices of Real Estate agents and Brokers	531210	\$6,000	1015	0	0.0%	\$0
Environmental	Environmental consulting services	541620	\$5,000	94	11	11.7%	\$585
TOTAL CONTRACT #3 [federal]			\$90,000			2.2%	\$2,014
Total Fiscal Year 2018 contracts			\$574,500			1.6%	\$9,245

TABLE 5
FY: 2019
CONTRACTS WORK ELEMENT BREAKDOWN

Work Type Description	NAICS Description	NAICS Code	Work Type Element Cost	Number Firms Census	Number Firms DBE Directory	DBE %	DBE \$
Fiscal Year 2019 Contracts							
Contract 5. Professional Services (Engineering Design) - Land Acquisition Services							
Engineering	Engineering Services	541330	\$34,000	495	10	2.0%	\$687
Appraisal	Offices of real estate appraisers	531320	\$33,000	161	1	0.6%	\$205
Surveying	Surveying and Mapping	541370	\$12,000	67	3	4.5%	\$537
Real Estate	Offices of Real Estate agents and Brokers	531210	\$6,000	1015	0	0.0%	\$0
Environmental	Environmental consulting services	541620	\$5,000	94	11	11.7%	\$585
TOTAL CONTRACT #5 [federal]			\$90,000			2.2%	\$2,014
Contract 7. Professional Services (Engineering Design) - Runway Environmental Assessment							
Engineering	Engineering Services	541330	\$75,000	495	10	2.0%	\$1,515
Drafting	Drafting services	541340	\$10,000	42	2	4.8%	\$476
Surveying	Surveying and Mapping	541370	\$5,000	67	3	4.5%	\$224
Environmental	Environmental consulting services	541620	\$45,000	94	11	11.7%	\$5,266
TOTAL CONTRACT #7 [federal]			\$135,000			5.5%	\$7,481
Total Fiscal Year 2019 contracts			\$225,000			4.2%	\$9,495

TABLE 6
FY 2020
CONTRACTS WORK ELEMENT BREAKDOWN

Work Type Description	NAICS Description	NAICS Code	Work Type Element Cost	Number Firms Census	Number Firms DBE Directory	DBE %	DBE \$
Fiscal Year 2020 Contracts							
Contract 8. Professional Services (Engineering Design only) Runway 1-19 reconstruction project							
Engineering	Engineering Services	541330	\$105,000	495	10	2.0%	\$2,121
Drafting	Drafting services	541340	\$15,000	42	2	4.8%	\$714
Surveying	Surveying and Mapping	541370	\$15,000	67	3	4.5%	\$672
Geotechnical Testing	Testing Laboratories	541380	\$15,000	54	2	3.7%	\$556
TOTAL CONTRACT #8 [federal]			\$150,000			2.7%	\$4,063
Total Fiscal Year 2020 contracts			\$150,000			2.7%	\$4,063

The calculation of the base figure for the overall FY 2018-2020 DBE goal is the total DBE value for all contracts divided by the total contract value. This resultant value is the base figure for the determination of the overall FY 2018-2020 DBE goal. Contract amounts and DBE amounts shown are the Federal share. Step 1 - Base Figure for the Overall FY 2018-2020 DBE Goal is shown in the Table 7 below.

TABLE 7
PRIEST RIVER MUNICIPAL AIRPORT
AIP RELATED CONTRACTS – FY 2018-2020
STEP 1- BASE FIGURE FOR THE OVERALL FY 2018-2020 GOAL

Contract	Contract Amount Federal Share	DBE Amount Federal Share	Weighted Base Figure Goal
Fiscal Year 2018 Contracts			
1. Professional Services (Engineering design and construction observation): Obstruction removal and lighting	\$94,500	\$2,429	2.6%
2. Professional Services: South End obstruction Removal	\$390,000	\$4,802	1.2%
3. Professional Services (Engineering Design): Land Acquisition Services	\$90,000	\$2,014	2.2%
Total Fiscal Year 2018 contracts	\$574,500	\$9,245	1.6%
Fiscal Year 2019 Contracts			
5. Professional Services (Engineering Design): Land Acquisition Services	\$90,000	\$2,014	2.2%
7. Professional Services (Engineering Design): Runway Environmental Assessment	\$135,000	\$7,481	5.5%
Total Fiscal Year 2019 contracts	\$225,000	\$9,495	4.2%
Fiscal Year 2020 Contracts			
8. Professional Services (Engineering Design only): Runway 1-19 reconstruction project	\$150,000	\$4,063	2.7%
Total Fiscal Year 2020 contracts	\$150,000	\$4,063	2.7%
TOTAL ALL CONTRACTS	\$949,500	\$22,803	2.4%

Note that Contract No. 4 and Contract No. 6 Land Acquisition are DOT-assisted contracts, but are not included in DBE goal calculations.

This concludes Step 1 of the process of determining the overall DBE goal. The Step 1 result is the Base Figure for the Overall FY 2018 though 2020 DBE Goal, calculated as 2.4%. The Base Figure is the weighted percentage for all contracts of the goal period.

Step 2: ADJUSTING THE BASE FIGURE.

After calculating a base figure of the relative availability of DBEs, evidence was examined to determine what adjustment (if any) was needed to the base figure in order to arrive at the overall goal.

The current capacity of DBEs to perform work, as measured by the volume of work DBEs have performed in recent years and evidence from disparity studies were considered.

Past History Participation

An analysis of past actual DBE participation can provide an indication of the capacity of the DBE firms available to perform the identified work items, as measured by the component of work DBE firms have provided in recent years. Past DBE participation at the Priest River Municipal Airport with DBE goals developed under the 49 CFR Part 26 DBE program is summarized in Table 8.

TABLE 8
PAST DBE GOALS AND PARTICIPATION LEVELS

Project Number	Overall Approved Goal (Race-Neutral; Race-Conscious)	Overall Participation
AIP 004 FY2013	No Goal, Less than \$250,000 Federal Funds	11.4%
AIP 005 FY2014	1.5% (1.5%;0.0%)	16.8%
FY 2015	4.0%(4.0%;0.0%)	No grants awarded
FY 2016	4.0%(4.0%;0.0%)	No grants awarded
FY 2017	4.0%(4.0%;0.0%)	*

* Grant is anticipated in FY 2017, but has not yet been awarded and overall participation is not complete.

The Airport does not have a three year history of past participation. Because of the limited history no adjustment for past participation will be made.

The Idaho Transportation Department recently published their 2017 Disparity Study. This study has not been reviewed in enough detail at this time to determine recommendations for goal adjustments. The ITD disparity study will be considered in adjusting goals during the goal review period.

The available evidence does not suggest that an adjustment to the Base Goal is necessary. The Step 1 base figure of 2.4% will be used as the overall goal.

Consultation

The airport conducted a teleconference with interested stakeholders to obtain information relevant to goal setting. Contractors and subcontractors on the Idaho Transportation Department Bidders List, DBEs certified by ITD, and minority, women, general contractor and small business development groups

in the region were invited by email on May 17, 2017 to participate. The teleconference was held on June 1st, 2017 at 9:00 a.m. PST. During the teleconference, the methodology used to establish goals was presented and discussed with participants. No recommendations were made to modify the methodology used to establish goals. As the teleconference discussion did not provide any recommendations for goal setting different than the process currently being used, no subsequent adjustment of the goals was made.

Outreach efforts for increasing DBE participation that were discussed during the teleconference included: sending mass emails to contractors and subcontractors (both DBE and non-DBE) in the region informing them in advance of contracting and subconsulting opportunities, and matching prime contractors with subcontractors.

Future goals will include input from the same sources used to set the goal for this year and will include consultation with local minority, women or general contractor groups to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and efforts to establish a level playing field for the participation of DBEs.

The airport contacted the State of Idaho Department of Transportation DBE Supportive Services for the most recent list of certified DBE firms and obtained from the U.S. Census Bureau's web page the most recent County Business Patterns Data. From the information obtained for the market area in which the airport spends a substantial amount of their contracting dollars, the certified DBE businesses were identified and the number of non-DBE businesses was determined.

Public Notice

A notice announcing the proposed overall goal and the availability of the goal-setting methodology for review was published on the Airport's website <http://bonnercounty.us/priest-river-airport/>.

Priest River Municipal Airport, FY 2018 - 2020, Overall DBE Goal: 2.4%

Section 26.51: Breakout of Estimated Race-Neutral & Race Conscious Participation

Priest River Municipal airport will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. Priest River Municipal Airport uses the following race-neutral means to increase DBE participation.

1. Quantities, specifications, and delivery schedules are arranged to facilitate DBE and other small business participation. Large contracts are divided into multiple bid schedules and bid items to make it easier to define portions of the work to subcontract.
2. Project plans are available for review at no charge at area planrooms, the Office of the Airport Manager and the project Engineer. The location where plans may be reviewed is stated in the Bid Advertisement.
3. DBE Supplemental Information is provided at the Pre-Bid Conference and distributed to everyone on the Bidders' List. The DBE requirements contained in the Bid Documents are summarized at the Pre-Bid Conference and in the Supplemental Information. In addition,

questions about the DBE requirements are encouraged at the Pre-Bid Conference. The Engineer responds to questions concerning DBE participation.

4. A list of DBE subcontractors that have worked on past projects is made available to prime contractors.

We estimate that, in meeting our overall goal of 2.4%, we will obtain 2.4% from race-neutral participation and **0.0%** through race-conscious measures. Priest River Municipal Airport does not have sufficient evidence of discrimination or its effects from which to set race-conscious goals.

The Idaho Transportation Department recently published their 2017 Disparity Study. This study has not been reviewed in enough detail at this time to determine recommendations for goal adjustments. If necessary, Priest River Municipal Airport will adjust the three-year goals or implement race-conscious DBE contract goals to obtain its overall goal during the review period.

We will track and report race-neutral and race-conscious participation separately. For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following: DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures; DBE participation through a subcontract on a prime contract that does not carry DBE goal; DBE participation on a prime contract exceeding a contract goal; and DBE participation through a subcontract from a prime contractor that did not consider a firm’s DBE status in making the award.

Because of the lack of sufficient evidence of discrimination or its effects, advertised contract goals (race-conscious) will not be used. All DBE goals for the period FY 2018 - 2020 are summarized in Table 9 below.

**TABLE 9
PRIEST RIVER MUNICIPAL AIRPORT
AIP RELATED CONTRACTS – FY 2018 - 2020**

DBE GOALS					
Contract	Base Goal	Past Participation Adjustment	Adjusted Base Goal	Race-Neutral Goal	Advertised Goal (Contract Goals)
1. Professional Services (Engineering design + construction observation: Obstruction removal and lighting	2.6%	Not Applicable	2.6%	2.6%	Not Applicable
2. Professional Services: South End obstruction removal	1.2%	Not Applicable	1.2%	1.2%	Not Applicable
3. Professional Services (Engineering Design): Land Acquisition Services	2.2%	Not Applicable	2.2%	2.2%	Not Applicable
5. Professional Services (Engineering Design): Land Acquisition Services	2.2%	Not Applicable	2.2%	2.2%	Not Applicable
7. Professional Services (Engineering Design): Runway Environmental Assessment	5.5%	Not Applicable	5.5%	5.5%	Not Applicable
8. Professional Services (Engineering Design only): Runway 1-19 reconstruction project	2.7%	Not Applicable	2.7%	2.7%	Not Applicable
OVERALL GOAL	2.4%	Not Applicable	2.4%	2.4%	Not Applicable

Note: Contract No. 4 and Contract No. 6 Land Acquisitions are DOT-assisted contracts, but are not included in DBE goal calculations.